

Senator Jerry W. Stevenson proposes the following substitute bill:

TRANSPORTATION FUNDING AMENDMENTS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: Wayne A. Harper

LONG TITLE

General Description:

This bill modifies the Transportation Code by amending provisions relating to funding for highway projects within Salt Lake County.

Highlighted Provisions:

This bill:

► provides that if project savings are identified by the Department of Transportation ~~H→ [from certain projects] ←H~~, and if the use of funds is not in violation of any agreement, the Department of Transportation shall provide \$3,000,000 to West Valley City to fund certain highway improvements;

► provides that if project savings are identified by the Department of Transportation, and if the use of funds is not in violation of any agreement, the Department of Transportation shall provide \$1,100,000 of the funds to West Jordan City for certain highway improvements; ~~H→ [and]~~

► provides that if project savings are identified by the Department of Transportation, and if the use of funds is not in violation of any agreement, the Department of Transportation shall provide

\$1,000,000 of the funds to Midvale City for certain highway improvements; and ←H

► provides that a municipality receiving project funds shall certify that it will use the funds provided solely for the specified projects.

Money Appropriated in this Bill:

None

Other Special Clauses:



57 improvements to highways described in Subsection 63B-16-102(3); [~~and~~]

58 (d) for fiscal year 2009-10 only, to pay for or to provide funds to a municipality or
59 county to pay for right-of-way acquisition, construction, reconstruction, renovations, and
60 improvements to highways described in Subsection 63B-18-402(2)[~~]; and~~

61 (e) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or
62 county to pay for a portion of right-of-way acquisition, construction, reconstruction,
63 renovations, and improvements to highways described in Subsections 72-2-121.4 (7) ~~H→~~ [~~and~~], ~~←H~~
63a (8) ~~H→~~, and (9) ~~←H~~.

64 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the
65 fund and bond proceeds from bonds issued under Sections 63B-16-102 and 63B-18-402 are
66 considered a local matching contribution for the purposes described under Section 72-2-123.

67 (6) The additional administrative costs of the department to administer this fund shall
68 be paid from money in the fund.

69 (7) Notwithstanding any statutory or other restrictions on the use or expenditure of the
70 revenue sources deposited into this fund, the Department of Transportation may use the money
71 in this fund for any of the purposes detailed in Subsection (4).

72 Section 2. Section **72-2-121.4** is amended to read:

73 **72-2-121.4. 2010 interlocal agreement governing state highway projects in Salt**
74 **Lake County.**

75 (1) Under the direction of the attorney general, the state of Utah and Salt Lake County
76 may enter into an interlocal agreement that includes, at minimum, the provisions specified in
77 this section.

78 (2) The attorney general shall ensure that, in the agreement, Salt Lake County
79 covenants to:

80 (a) issue revenue bonds in an amount generating proceeds of at least \$77,000,000,
81 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,
82 and fund any debt service reserve requirements, and secured by revenues received from the
83 state of Utah under Section 72-2-121.3;

84 (b) transfer at least \$68,500,000 to the Department of Transportation to be used for
85 state highway projects in Salt Lake County as provided in the interlocal agreement; and

86 (c) use or transfer to a municipality to use \$8,500,000 to pay all or part of the costs of
87 the following highway construction projects in Salt Lake County in the following amounts:

119 (a) review each existing interlocal agreement with Salt Lake County concerning Salt
 120 Lake County revenues received by the state for state highway projects within Salt Lake County;
 121 and

122 (b) as necessary, modify those agreements or draft a new interlocal agreement
 123 encompassing all of the provisions necessary to reflect the state of Utah's and Salt Lake
 124 County's obligations for those revenues and projects.

125 (6) If project savings are identified by the Department of Transportation from the funds
 126 provided to the Department of Transportation as described in Subsection (2)(b) and if the use
 127 of funds is not in violation of any agreement, the Department of Transportation shall provide
 128 \$1,000,000 of the funds described in Subsection (2)(b) to Draper City to pay for highway
 129 improvements to 13490 South.

130 (7) If project savings are identified from the funds provided to the Department of
 131 Transportation as described in Subsection (2)(b) and if the use of funds is not in violation of
 132 any agreement, the Department of Transportation shall provide \$3,000,000 of the funds
 133 described in Subsection (2)(b) and from funds in the County of the First Class State Highway
 134 Projects Fund created by Section 72-2-121 to fund the following highway projects:

135 (a) \$2,000,000 to West Valley City to pay for highway improvements to SR-201
 136 Frontage Road at Bangerter Highway and associated roads to ease traffic flow onto Bangerter
 137 Highway between SR-201 and Lake Park Boulevard; and

138 (b) \$1,000,000 to West Valley City for improvements to SR-201 Frontage Road at
 139 7200 West.

140 (8) If project savings are identified by the Department of Transportation from the funds
 141 provided to the Department of Transportation as described in Subsection (2)(b) and if the use
 142 of funds is not in violation of any agreement, the Department of Transportation shall provide
 143 \$1,100,000 of the funds described in Subsection (2)(b) and from funds in the County of the
 144 First Class State Highway Projects Fund created by Section 72-2-121 to West Jordan City for
 145 highway improvements on 4000 West from 7800 South to Old Bingham Highway.

145a **H→ (9) If project savings are identified by the Department of Transportation from the funds**
 145b **provided to the Department of Transportation as described in Subsection (2)(b) and if the use**
 145c **of funds is not in violation of any agreement, the Department of Transportation shall provide**
 145d **\$1,000,000 of the funds described in Subsection (2)(b) and from funds in the County of the**
 145e **First Class State Highway Projects Fund created by Section 72-2-121 to Midvale City to fund**
 145f **the following highway projects:**

145g **(a) \$500,000 to Midvale City for improvements to Union Park Avenue from I-215**

145h exit south to Creek Road and Wasatch Boulevard; and
145i (b) \$500,000 to Midvale City for improvements to 7200 South from I-15 to 700 West
146 ~~(9)~~ 10 ~~←H~~ (a) (i) Before providing funds to a municipality or county under Subsections
146a (7) ~~H~~→ [~~and~~] , ←~~H~~
147 (8), ~~H~~→ and (9), ←~~H~~ the Department of Transportation shall obtain from the municipality or
147a county:
148 (A) a written certification signed by the county or city mayor or the mayor's designee
149 certifying that the municipality or county will use the funds provided under Subsections (7)
149a ~~H~~→ [~~and~~] , ←~~H~~

150 (8) ~~H→~~ , and (9) ~~←H~~ solely for the projects described in Subsections (7) ~~H→~~ [and] , ~~←H~~ (8)

150a ~~H→~~ , and (9) ~~←H~~ ; and

151 (B) other documents necessary to protect the state and the bondholders and to ensure

152 that all legal requirements are met.

153 (ii) Except as provided in Subsection ~~H→~~ [(9)] 10 ~~←H~~ (b), by January 1 of each year, the

154 municipality or county receiving funds described in Subsections (7) ~~H→~~ [and] , ~~←H~~ (8)

154a ~~H→~~ , and (9) ~~←H~~ shall submit to the

155 Department of Transportation a statement of cash flow for the current fiscal year detailing the

156 funds necessary to pay project costs for the projects described in Subsections (7) ~~H→~~ [and] , ~~←H~~ (8)

156a ~~H→~~ , and (9) ~~←H~~ .

157 (iii) Except as provided in Subsection ~~S→~~ [(4)(b)] ~~H→~~ [(9)] 10 ~~←H~~ (b) ~~←S~~ , after

157a1 receiving the statement

157a required

158 under Subsection ~~H→~~ [(9)] 10 ~~←H~~ (a)(ii) and after July 1, the Department of Transportation

158a shall provide

159 funds to the municipality or county necessary to pay project costs for the current fiscal year

160 based upon the statement of cash flow submitted by the municipality or county.

161 (iv) Upon the financial close of each project described in Subsections (7) ~~H→~~ [and] , ~~←H~~

161a (8), ~~H→~~ and (9), ~~←H~~ the

162 municipality or county receiving funds under Subsections (7) ~~H→~~ [and] , ~~←H~~ (8)

162a ~~H→~~ , and (9) ~~←H~~ shall submit a statement

163 to the Department of Transportation detailing the expenditure of funds received for each

164 project.

165 (b) For calendar year 2012 only:

166 (i) the municipality or county shall submit to the Department of Transportation a

167 statement of cash flow as provided in Subsection ~~H→~~ [(9)] 10 ~~←H~~ (a)(ii) as soon as possible; and

168 (ii) the Department of Transportation shall provide funds to the municipality or county

169 necessary to pay project costs based upon the statement of cash flow.

170 (c) The commission or the state treasurer may make any statement of intent relating to

171 a reimbursement under this Subsection ~~H→~~ [(9)] 10 ~~←H~~ that is necessary or desirable to comply

171a with federal

172 tax law.